

# STATE GOVERNMENT OPERATIONS REPORT CARD

*PERFORMANCE METRICS*



## STATE GOVERNMENT OPERATIONS REPORT CARD

Virginia's state government is a large and complex enterprise. With revenues of more than \$4 billion in fiscal year 201 – a total roughly equivalent to iconic Fortune 100 companies such as FedEx and Walt Disney – its 122,000+ employees manage operations in more than 100 agencies, universities, and other organizations. In addition, a significant share of the work of government and the delivery of its services is accomplished through local governments and other public and private third-party partners. Given this scope and complexity, it is important to develop a high-level view of government operations that is both encompassing and supportive of more focused assessment efforts.

The Government Operations Report Card complements and builds on the information contained in the current Government Operations indicator in the Government and Citizens section of the Scorecard at a Glance. This high-level and informative report card provides an overview of the overall efficiency and effectiveness of state government. Performance information covers financial stewardship, customer service, human resource development, and management practices.

Report Card and Indicators	Goal	Page
Government Operations Report Card	To provide a high-level, enterprise-wide view of state government operational effectiveness and the state's progress in maintaining its status as a "best-managed" state, one of the key foundations of the quality of life and future prosperity of the Commonwealth.	2
Customer Service	To improve the quality and responsiveness of government services across the enterprise	3
Performance Assessment and Improvement	To continually improve the efficiency and effectiveness of government operations	4
Financial Management	To wisely manage and optimize the resources entrusted to state government	5, 6
Accountability	To protect the health and safety of Virginians while using resources in a fair, accountable, and transparent way	7
Infrastructure Stewardship	To protect and enhance the returns on the Commonwealth's investments in its infrastructure	8
Human Resource Development	To manage, develop, and support the human resources needed to carry out the functions of government in the most efficient and effective way possible.	9

# STATE GOVERNMENT OPERATIONS REPORT CARD

## Customer Service

*GOAL: Improve the quality and responsiveness of government services across the enterprise.*

Customer Satisfaction	→
Customer Service Management Practices	↑
Digital Government	↑
Service Quality	→

## Human Resource Development

*GOAL: Wisely manage, support, and develop the human resources needed to fulfill the functions of government in the most efficient and effective way possible.*

Development and Assessment	↑
Employee Health and Workplace Safety	↑
Employee Relations	↑
Leadership Development / Succession Planning	⚠
Turnover	↑

## Performance Assessment and Improvement

*GOAL: Continually improve the efficiency and effectiveness of government operations.*

Key Process Performance	↑
Performance Management and Reporting	↑
Process Improvement Practices	↑
Strategy Development and Deployment	↑

## Infrastructure Stewardship

*GOAL: Protect and enhance the returns on Virginia's investments in its infrastructure.*

Cyber Security	→
Emergency Preparedness	↑
Energy and Environmental Management	↑
Facilities Maintenance and Construction	⚠
Information Technology	→
Roads, Rail, and Other Infrastructure	→

## Financial Management

*GOAL: Wisely manage and optimize the resources entrusted to state government.*

Audit and Internal Controls	→
Bond Rating	↑
Debt Burden	→
Financial Asset Management	→
Grants and Contract Management	↑
Rainy Day Fund	↑
Revenue Forecasting	↓
Self-insurance Liabilities	↑
Tax Burden	↑

## Accountability

*GOAL: Protect the health and safety of Virginians while using resources in a fair, accountable, and transparent way.*

Consumer Protection	→
Diversity and Fairness	→
Fraud and Waste Control	↑
Regulatory Framework	↑
Transparency	↑

Performance  
Trend

Improving ↑  
Maintaining →  
Worsening ↓  
Under Development ⚠

May 2015

## STATE GOVERNMENT OPERATIONS REPORT CARD

## Customer Service

*Goal: To improve the quality and responsiveness of government services across the enterprise.*

Customer Satisfaction →

Customer Service Management Practices ↑

Digital Government ↑

Service Quality →

Performance  
Trend
 Improving ↑  
 Maintaining →  
 Worsening ↓

\* Fourth quarter of quarterly data.

Indicator / Metrics	Source	Latest Three Years of Data			Last Available	Trend
<b>Customer Satisfaction</b>						→
• Customer satisfaction with services (online survey)	TAX	94.5%	98.3%	90.4%	2014	↓
• Percentage of “positive” survey responses	VDOT			83.0%	2013	NA
• Satisfaction of crime victims and individuals involved in traffic accidents	VDSP	83.0%	83.0%	85%	2014	↑
• Other measures reviewed: DMAS Provider Enrollment Services, state park customers, various training programs						
<b>Customer Service Management Practices</b>						↑
• Assessment based on a review of key agency plans, including DMAS, DOT, ABC, DMV, TAX, together with some smaller agencies such as DCR and DGIF. Customer Service is a clearly articulated priority in values, goals, objectives, strategies, initiatives, and performance measures.					2013	
<b>Digital Government</b>						↑
• Percentage of claims submitted electronically*	DMAS		89.0%	94.0%	2013	↑
• Payments and returns received electronically	TAX			75%	2014	NA
• Percentage of registration renewals via preferred channels	DMV	80.6%	82.0%	82.3%	2014	↑
• Others: ETF volumes, SOL tests taken online (DOE); Digital Government ranking; various agency services						
<b>Service Quality</b>						→
• Average wait time at Service Centers (min.sec)	DMV	16.24	21.49	21.31	2014	→
• Percentage of timely and accurate claims payments*	DMAS	100%	100%	100%	2013	→
• Percentage of calls answered before disconnect*	TAX	92.7%	92.6%	94.9%	2014	↑
• Others: DMAS applications, VDH dispensing errors, DSS reviews of child welfare agencies, traffic congestion						

# STATE GOVERNMENT OPERATIONS REPORT CARD

Performance Assessment and Improvement		Indicator / Metrics	Source	Latest Three Years of Data			Last Available	Trend	
<div>Goal: To continually improve the efficiency and effectiveness of government operations.</div> <div>Key Process Performance ↑</div> <div>Performance Management and Reporting ↑</div> <div>Process Improvement Practices ↑</div> <div>Strategy and Internal Communications ↑</div> <div><div>Performance Trend</div><div>Improving ↑</div><div>Maintaining →</div><div>Worsening ↓</div></div> <div>*Fourth quarter data</div> <div>**DMAS costs were lower or the same as FY 2012 for the first three quarters.</div> <div>***Based on Executive Branch wage and salary employment as of 12/31; excludes higher education.</div>		Key Process Performance						↑	
		• Average cost to process a claim*	DMAS	\$0.58	\$0.50	\$0.71**	2013	↑	
		• Average cost of a vehicle registration renewal*	DMV	\$4.55	\$4.15	\$3.80	2014	↑	
		• Cost to process an income tax return	TAX	\$0.43	\$0.45	\$0.40	2013	↑	
		• Executive Branch employees per 1,000 population***	DHRM	6.04	5.99	5.79	2014	↑	
		Other measures reviewed: DOA - Cost per core system transaction; DHRM - Management to staff ratio, health care cost per employee; CSA - Cost per CSA youth, etc.							
		Process Improvement						↑	
		Based on an assessment of key agency plans and metrics.						2013	
		• New planning and budgeting system, increased training and support for performance reporting, increased integration of performance metrics in planning and evaluation processes.							
		Performance Management and Reporting						↑	
		Based on an assessment of key agency plans and metrics.						2013	
		• Assessment based on a review of key agency plans, including DMAS, DOE, DOT, DSS, DBHDS, VDH, ABC, DMV, and TAX. Process improvement and improving efficiency are a clearly articulated priorities in values, goals, objectives, strategies, initiatives, and performance measures.							
		Strategy and Internal Communications						↑	
		Based on an assessment of key agency plans and metrics.						2013	
• New Enterprise Strategic Priorities, deployment of the new Executive Progress Report, and improved agency strategic planning.									

\*Fourth quarter data

\*\*DMAS costs were lower or the same as FY 2012 for the first three quarters.

\*\*\*Based on Executive Branch wage and salary employment as of 12/31; excludes higher education.

Performance  
Trend

Improving ↑  
Maintaining →  
Worsening ↓

# STATE GOVERNMENT OPERATIONS REPORT CARD

## Financial Management (Page 1 of 2)

*Goal: To wisely manage and optimize the resources entrusted to state government.*

Audit and Internal Controls	↑	→
Bond Rating		↑
Debt Burden	↓	→
Financial Asset Management	↑	→
Grants and Contract Management		↑
Rainy Day Fund		↑
Revenue Forecasting	→	↓
Self-Insurance Liabilities	↓	↑
Tax Burden		↑

### Performance Trend

Improving ↑  
Maintaining →  
Worsening ↓

\*1 Other tax-supported debt not included in the Debt Capacity Model.

\*2 Annual return vs. a recently reported custom benchmark expressed in basis points.

\*3 only one year of data available.

\*4 Average return of previous 20 quarters in excess of 15 basis points above benchmark.

\*5 New, more rigorous SOQ requirements took effect for the 2011-2012 school year.

Indicator / Metrics	Source	Latest Three Years of Data			Latest Available	Trend
<b>Audit and Internal Control</b>						→
• Number of recurring APA internal control findings	DOA	32	13	27	2014	↓
• Excellence in financial reporting award	DOA	Yes	Yes	Yes	2014	→
• Prompt Pay compliance	DOA	99.1%	99.1%	99.1%	2014	→
• Other examples: DOA - Agency corrective action work per policy; DOA - Cost allocation plans per policy						
<b>Bond Rating</b>						↑
• Moody's		Aaa	Aaa	Aaa	2014	↑
• Standard & Poor's and Fitch's		AAA	AAA	AAA	2014	↑
<b>Debt Burden</b>						→
• Tax supported debt per capita (2014 dollars)	DCAC	\$1,281	\$1,420	\$1,302	2014	↑
• Debt service as a percentage of blended revenues	DCAC	4.20%	4.41%	4.51%	2014	↓
• VRS funded status	JLARC	66%	65%	68%	2014	↑
• Other tax-supported debt per capita (2013 dollars; millions) *1	DCAC	\$531	\$590	\$613	2014	↓
• Others: Capacity to pay in excess of debt service	DCAC					
<b>Financial Asset Management</b>						→
• VRS investment return vs. custom benchmark *2	JLARC		60	60	2014	→
• Yield vs. benchmark on bond issuances *3	TREAS		0.13		2013	NA
• GF funds investment earnings above benchmark *4	TREAS	19	56	26	2014	↓
Others: VDOT borrowing costs						
<b>Grants and Contract Management</b>						↑
• Mandated child and adult care licensing reviews	DSS		92%	100%	2014	↑
• Number of provider reviews completed	DMAS	736	756	941	2012	↑
• School divisions fully accredited *5	DOE	93%	77%	68%	2014	↓
Others: Construction on-time, on-budget; adult/elder/child/disabled facilities reviews						

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## Financial Management (Page 2 of 2)

*Goal: To wisely manage and optimize the resources entrusted to state government.*

Audit and Internal Controls	↑	→
Bond Rating	↑	
Debt Burden	↓	→
Financial Asset Management	↑	→
Grants and Contract Management	↑	
Rainy Day Fund	↑	
Revenue Forecasting	→	↓
Self-Insurance Liabilities	↓	↑
Tax Burden	↑	

### Performance Trend

Improving ↑  
Maintaining →  
Worsening ↓

Indicator / Metrics	Source	Latest Three Years of Data			Latest Available	Trend
<b>Rainy Day Fund</b>						↑
• Revenue Stabilization Fund balance as a percentage of general fund revenues	PAFR	1.78%	2.45%	2.70%	2014	↑
<b>Revenue Forecasting</b>						↓
• Percentage point variance to forecast revenues	TAX	0.8%	1.6%	2.6%	2014	↓
<b>Self-Insurance Liabilities</b>						↑
• Workers' compensation, tort, automobile claims liabilities (year end balance, \$ millions)	CAFR	\$608.7	\$622.8	\$624.6	2014	→
• Workers' compensation, tort, and automobile claims payments (\$ millions)	CAFR	\$74.4	\$70.6	\$69.3	2014	→
• Workers' compensation, tort, automobile claims - current year claims (\$ millions)	CAFR	\$194.9	\$84.7	\$71.1	2014	↑
Other: Workers' Compensation risk modification factor						
<b>Tax Burden</b>						↑
• Income taxes as a percentage of personal income	CAFR	2.70%	2.81%	2.72%	2014	↑
• State and local taxes as a percentage of income	VaPerf	8.8%	8.4%	8.3%	2012	↑
• State and local workers per 1,000 residents	VaPerf	54.2	55.8	53.2	2013	↑
• Others: Primary and tax-supported debt per capita or per dollar of personal income						

# STATE GOVERNMENT OPERATIONS REPORT CARD

Accountability		Indicator / Metrics	Source	Latest Three Years of Data			Latest Available	Trend
<b>Goal: To protect the health and safety of Virginians while using resources in a fair, accountable, and transparent way.</b>  Consumer Protection → Diversity and Fairness → Fraud and Waste Control ↑ Regulatory Framework ↑ Transparency ↑		<b>Consumer Protection</b>						→
		• Workplace fatalities in Virginia per 100,000 workers	OSHA	3.35	3.99	3.35	2013	→
		• Underage buyer compliance rate for retail alcohol	ABC	87.1%	85.7%	85.1%	2014	↓
		• Insurance fraud and related cases successfully closed	DSP	300	423	562	2014	↑
		Others reviewed: inspections/reviews for adult/elder care facilities, waterworks, restaurants, etc.						
		<b>Diversity and Fairness</b>						→
		• Minorities as a percentage of state employees	DHRM	34.9%	34.8%	34.3%	2014	→
		• Minorities as a percentage of Officials and Administrators (classified management positions)	DHRM	20.63%	20.71%	21.37%	2014	↑
		• Females as percentage of Officials and Administrators	DHRM	41.5%	41.6%	42.5%	2014	↑
		No meaningful SWaM data available						
		<b>Fraud and Waste Control</b>						↑
		• Medicaid criminal and civil recoveries ordered	OAG	\$40.3	\$1,011.1	\$61.7	2014	↑
		• Creation of the Office of the State Inspector General						↑
		• Online availability of detailed agency expenditure data						↑
		<b>Regulatory Framework</b>						↑
		• Qualitative analysis based on ongoing developments, including external assessments, and improved legislative impact assessment process and expanding use of the Regulatory Town Hall						↑
		<b>Transparency</b>						↑
		Narrative: Agency online expenditures, APA Data Point, DOA' Popular Report, DPB budget site, etc.						

Performance  
Trend

Improving ↑  
Maintaining →  
Worsening ↓

# STATE GOVERNMENT OPERATIONS REPORT CARD

## Infrastructure Stewardship

*Goal: To protect and enhance the returns on the Commonwealth's investments in its infrastructure.*

Cyber Security	→
Emergency Preparedness	↑
Energy and Environmental Management	↑
Facilities Maintenance and Construction	↓
Information Technology	→
Roads, Rail, and Other Infrastructure	→

Performance  
Trend

Improving ↑  
Maintaining →  
Worsening ↓

\* Fourth quarter data

Indicator / Metrics	Source	Latest Three Years of Data				Trend
<b>Cyber Security</b>						→
• Open IT and information security-related APA audit findings	DOA	17	11	16	2014	→
• Percentage of agencies reviewing IT security compliance	VITA			13%	2013	NA
• IT security incidents (malware, denial of service, loss of property)	VITA	458	656	802	2012	↓
• Percentage of NG security services service level agreements met	VITA	100%	100%	100%	2014	→
<b>Emergency Preparedness</b>						NA
• Interoperability with statewide communication systems	DMA			75%	2014	NA
• Percentage of National Guard enlistment goal met	DMA			100%	2014	NA
• Pass the Emergency Management Accreditation Program (yes/no)	DEM				New	NA
<b>Energy and Environmental Management</b>						↑
• Cumulative net present value of savings from the energy performance contracting program (millions)	DMME			\$133	2013	NA
• Percentage of reviewed projects in environmental compliance	VDOT	98.7%	99.5%	99.7%	2014	↑
• Percentage of traffic impact analyses completed by the due date*	VDOT	95%	100%	100%	2014	↑
• State/Local government revenue from demand response programs	DMME			\$1.6 m	2013	NA
<b>Facilities Maintenance and Construction</b>						
• DGS not able to provide on-time and on-budget data						
• Information on deferred maintenance no longer fully maintained						
<b>Information Technology</b>						→
• Percentage of completed major IT projects on-time, on-budget	VITA				New	NA
• Percentage of service level objectives met - Data Center	VITA	100%	96.5%	98.3%	2014	→
• Percentage of service level objectives met - Network Services	VITA		94%	99%	2014	↑
• Availability of Enterprise/Collaborative Production Services	VITA				New	NA
<b>Roads, Rail, and Other Infrastructure</b>						→
• Percentage of completed construction and maintenance projects delivered within budget	VDOT	93%	89%	91%	2014	→
• Percentage of completed construction and maintenance projects delivered on time	VDOT	81%	80%	81%	2014	→
• Primary system structures rated not structurally deficient	VDOT	94.6%	95.1%	95.2%	2014	↑
• Truckload equivalents removed from Virginia highways through Rail Enhancement projects (millions)	DRPT	1.16	1.60	1.16	2014	→

# STATE GOVERNMENT OPERATIONS REPORT CARD

## Human Resource Development

*Goal: To manage, develop, and support the human resources needed to carry out the functions of government in the most efficient and effective way possible.*

Development and Assessment ➔

Employee Health and Workplace Safety ↑

Employee Relations ↑

Leadership Development ⚠

Turnover ↑

Performance  
Trend

Improving ↑  
Maintaining ➔  
Worsening ↓

⚠ Under Development

\* 1 "Recruitments" is the sum of classified employee promotions, demotions, transfers, new hires, and rehires.

Indicator / Metrics	Source	Latest Three Years of Data			Latest Available	Trend
<b>Development and Assessment</b>						➔
• Percentage of employees receiving training	DHRM	31.3%	46.8%	46.8%	2014	➔
• Training costs as a percentage of payroll	DHRM	1.0%	1.01%	1.0%	2014	➔
• Percentage of employees rated below "Contributor"	DHRM	0.3%	0.3%	0.3%	2014	➔
• Demotions as a percentage of recruitments *1	DHRM	1.8%	1.7%	1.8%	2014	➔
<b>Employee Health and Workplace Safety</b>						↑
• Percentage of employees participating in CommonHealth	DHRM	30.0%	19.7%	30.0%	2014	↑
• Rate of injured workers returning under Workers' Comp	DHRM	99%	98%	98%	2014	➔
• Workers' Comp experience modification factor (1=best)	DHRM	1.38	1.18	1.28	2014	➔
Other measures: DHRM - Workers' Comp days lost, employees within targeted health indicator ranges						
<b>Employee Relations</b>						↑
• Training sessions in workplace conflict/dispute resolution	DHRM	3,284	2,453	3,660	2014	↑
• Turnaround time for completed administrative rulings	DHRM	35	24	19	2014	↑
• Employee satisfaction with EDR mediation services	DHRM	99%	100%	98%	2014	➔
• Percentage of mediations cases resolved	DHRM	83%	93%	83%	2014	➔
<b>Leadership Development</b>						⚠
<b>Turnover</b>						↑
• Turnover	DHRM	10.9%	10.9%	11.1%	2014	➔
• Turnover with up to five years of services	DHRM	55.4%	53.7%	53.1%	2014	↑
• Average time to hire (days)	DHRM	87	96	88	2014	➔
Other: Percentage of employees retirement eligible						